

House Appropriations Subcommittee on Higher Education

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Saving Our Students' Futures: The Tuition Incentive Program, Performance Funding, Community College Partnerships and First Generation College Students

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Chairwoman LaSata and members of the House Appropriations Subcommittee on Higher Education, thank you for taking time out of your busy schedules this morning to hear from Ferris State University.

Students come to Ferris from every county in Michigan, and many are from the districts you represent and serve:

- Rep. LaSata - 110 students
- Rep. Inman - 392 students
- Rep. VerHeulen - 1228 students
- Rep. Miller - 212 students
- Rep. Hoadley - 116 students
- Rep. Rabhi - 27 students

These students are your constituents. They are our next construction managers, designers, police officers, nurses, optometrists, pharmacists, and welders; all future leaders for Michigan. Thank you for representing their interests in Lansing.

At Ferris State University, we are fortunate to have a strong Board of Trustees, and I want to recognize each of them. These are committed citizens who have a strong interest in our state's future and who are advocates for higher education and our students. Our trustees include:

- Paul E. Boyer - Chair
- Lori A. Gwizdala - Vice Chair
- Ana L. Ramirez-Saenz - Secretary
- Gary L. Granger - Member
- Robert J. Hegbloom - Member
- Amna P. Seibold - Member
- Rupesh K. Srivastava - Member
- LaShanda R. Thomas - Member

Tuition Incentive Program (TIP)

During the course of these hearings most testimony you hear will be about Michigan's public universities, and rightfully so. Michigan is fortunate to have exceptional public universities. Indeed, the combination of excellence and innovation represented by Michigan universities is one of the factors that attracted me back to the state to serve as president of Ferris State University.

This testimony will focus on our students and the potential debilitating impact of proposed 2019 budget intent language for the Tuition Incentive Program (TIP). TIP is a state financial aid program funded through the federal Temporary Assistance to Needy Families (TANF) program, and has grown to where it now represents \$53 million in the current year's budget. (Appendix One)

Ferris State University's unique history of providing opportunity attracts exactly the kind of students the TIP program is meant to help. At Ferris, we believe helping these students is at the core of our mission. Ferris is uniquely positioned to help these lower-income students be successful in earning a career-oriented degree, and finding employment. Indeed, we have a track record of effectively doing so.

A desire to temper the future cost of this program is understandable, but the proposed language in the Executive Budget is a blunt instrument attacking the futures of TIP students who earn their associate degrees at public universities. As a result, for the second year in a row we face diminished support from the state in helping these students make a difference for their future. (Appendix Two, Appendix Three)

As proposed for 2019, TIP support for public university students, which currently covers their tuition costs while earning an associate degree, would be limited to twice the in-district community college rate. This proposal would reduce support for our TIP students by one third, and would make it extremely difficult for our students to attend, and for those who do, it would significantly raise their student debt.

Through TIP young lives are changed, moving from a cycle of loss and economic hardship to a future that is both bright and promising. These are stories of student success that triumph over the most difficult of hardships and are the pinnacle of life-changing opportunity that we want for all students.

First, I want to introduce Tekarra Coleman. She is earning her associate degree in Health Information Technology and has 3.42 GPA. Tekarra...

Hello.

My name is Tekarra Coleman and I am a sophomore at Ferris State University. I am a full-time student and am enrolled in the associate's degree program in Health Information Technology and Health Information Management. When I'm not at school, I live in Battle Creek, Michigan with my Grandma. I have one older sister, two younger brothers and a younger sister. I am the first person in my family to go to college and I will be the first person in my family to earn a college degree.

When I was in high school I lived in Kalamazoo, so I qualified for the Kalamazoo Promise which would have paid for my first two years of college. But, because I moved to Battle Creek to live with my grandma, I didn't graduate from a Kalamazoo school, which meant that I did not qualify for the Kalamazoo Promise after graduation. I felt like I had lost my chance to go to college.

When I was feeling like college might not be an option for me, I went and met with my high school counselor, Mrs. Townes. She helped me to see that college could still be in my future. Mrs. Townes told me about the TIP Grant and the Pell Grant and how they could

help me to go to college. She told me about Ferris and how I could use TIP at Ferris. I had already applied to other schools, but something about Ferris stuck out to me. Mrs. Townes helped me to overcome my fears and uncertainties about going to college and I will always be grateful for that.

The summer after graduation, my grandad and I decided to take a trip up to Big Rapids and visit the campus. The first thing that I noticed was how small the town was. I told my grandad that the town was too small and it didn't even have a mall. He talked to me the entire way home about how going to school was to further my education and get a career and not about how big the town was or if there was a mall there. My grandad told me that as long as I could get a good education that the town was a great place to be and that my education was all that mattered. My grandad was right.

I applied and was accepted to Ferris State University and today, I am proud to be a Bulldog. I qualified for the TIP Grant and a full Pell Grant which is how I am able to attend college. Without these grants, I would not be able to afford college.

When I first got to Ferris, I was a bit nervous, but the advisors and teachers made me feel more comfortable and helped me to believe that I could be a good college student. I started in the General Studies Program at Ferris so that I could improve my reading and writing skills and when I was ready, transferred to the College of Health Professions at Ferris to work on my degree in the health field. Being a freshmen at college is hard, but I had a lot of support from my advisor and teachers. At Ferris, all freshmen are required to take a freshman seminar class that teaches you how to be a college student and about the resources at Ferris. Shelly VandePanne was my seminar teacher and she was amazing. She worked with me from the time I came to campus for orientation and helped me to explore career options, which helped me to decide on my program that I am in now in Health Information Technology and Management. I am so grateful for her support and that she cared about helping me and for getting me that head start I needed to be successful in college. She helped me to see what steps I needed to complete which put me on the path to my future.

My associate degree from Ferris will prepare me to get a good job right after college. Getting the TIP Grant and Pell Grant has made my life a bit easier since I have help paying for college. I don't have to worry about graduating from college with my associate's degree with major debt. My goal is to graduate and get a good job and go back to school for my bachelor's degree. I will graduate next year with my associate's degree. Without TIP I wouldn't be able to attend college and earn a degree that will make a difference in my life. I am very thankful to have this type of assistance to go to school and better myself. I know that TIP helps not only me but thousands of other students who need help as well.

Thank you for letting me tell you my story.

Next, I want to introduce Kaylia Ervin. At our commencements I share student stories, and in May 2015 it was my honor to tell Kaylia's story. Kaylia was a student in our Foster Youth

Initiative and represents the 3% of foster youth who graduate from college. I talked about Kaylia in my testimony last year, but wanted you to hear from her firsthand. (Appendix Four) Kaylia...

Good morning and thank you for granting me the opportunity to elaborate on how the TIP Program has impacted my life. Ever since I was a child I knew I wanted more for my life. I was raised in and out of the foster care system and although I was intelligent and well-mannered I was still considered just another ghetto project kid. There weren't many role models in my community and I hadn't known anyone who had ever been to college other than my teachers. However, I knew my dream of obtaining more was possible.

It wasn't until my senior year in high school that I began to think of how I would achieve more. I knew nothing about college or the process of getting accepted. My foster parents did not seem to care much about what I did upon graduating high school. I will never forget the six-word conversation my foster mother and I had about college. She simply asked "are you going to college?" And I replied "yes" and we never spoke of it again. She didn't know what college I would go to, how I was getting there, how I was going to pay for it, or what I would major in. I guess she assumed since I was a foster child the State would write me a check to whatever college I decided to attend. Either way I was lost in the process and had no idea where to start.

I filled out a FASFA and applied to Ferris State University since it was my only school of interest without an application fee. Upon receiving an acceptance letter I was given a \$2000 scholarship from Ferris and notice that I would receive a Pell Grant of just over \$5000. At the time it seemed like a lot of money and I was certain my aspirations of becoming a lawyer were on the verge. However, I was ignorant about how much college actually cost. With no family help or savings I was told to look into loans.

One day after coming home from school I received a letter stating that I was eligible for the TIP Program. I spoke about it with my case worker and found out the program would cover my tuition in full for two years, leaving enough money for a room and board plan. I was ecstatic to learn that the only thing I needed to do was pack my bags and find a way to get to Ferris.

I said all this to say that today I have graduated from Ferris and I am now in my second year of law school at Michigan State University. It was possible because the TIP Program saved me from having to finance my undergrad tuition completely in student loans. I had no other way of paying for college. I worked all four years of my undergrad education and I can say with all certainty my minimum wage job would not have put a dent in my tuition fees. Three of my closest friends in college had to drop out mid-semester because they could no longer afford to pay for college. Millions of other students struggle each month to pay back outrageous student loan debt. I am sincerely grateful for a program like TIP. It gave me a chance to complete my bachelor's degree and continue my education.

These two extraordinary examples highlight the successful opportunities TIP creates for students at public universities. TIP students are often the first generation to attend college, which can be very overwhelming. For them, a critical success factor is the ability to move away from their home situation to the living-learning environment of a public university. Although a less expensive alternative, a community college most often cannot provide this important factor for a TIP student's success.

If the budget proposal is adopted, sadly more of these future success stories will not become a reality. Limiting this support for severely economically disadvantaged students is not in our state's or our students' best interest. TIP helps students break the cycle of poverty and become successful, productive citizens. **This is precisely what we should be doing to improve the economic future of Michigan.**

In visiting with each of you personally, I have shared a policy-based alternative to the budget intent language. I believe this has merit, but this does not have to be the solution, should you develop a better alternative. I do implore you to not accept the budget recommendation limiting tuition support for these students. **Please do this, not for us, but for them.**

Ferris State University

Ferris State University is the only university in Michigan named after its founders, Woodbridge Nathan Ferris (two-term Michigan governor and United States senator) and his wife, Helen Gillespie Ferris. Founded by them in 1884 as the privately owned Big Rapids Industrial School, Ferris became a state institution in 1950, undergoing several name changes before becoming Ferris State University in 1987. The Ferris' founding philosophy of a practical, hands-on approach to education that enables students to learn practical skills for new jobs in a changing world still resonates loudly today. Our education is "where theory meets practice." This, together with a committed faculty, individual attention and career-oriented degrees, prepares graduates who find employment in their field after graduation.

Ferris is distinguished by its strong heritage of opportunity and commitment to diversity and inclusion. Our faculty are expert in creating state-of-the-art degree programs that fuel and support Michigan's economy. Ferris offers more than 180 programs, ranging from associate to doctoral degrees, through eight degree-granting academic colleges: Arts and Sciences, Business, Education and Human Services, Engineering Technology, Health Professions, Kendall College of Art and Design, Michigan College of Optometry, and Pharmacy.

Our passion for delivering what our students need in a variety of learning formats, and through partnerships with 21 community colleges across the state, is what makes Ferris State University unique. This makes us the choice for not only traditional students, but working professionals looking to enhance their education or change careers. Enrollment this past fall was 14,187 students.

Ferris State University focuses on degree programs that fuel and support economic growth for Michigan, particularly in the STEM and healthcare fields with 100% job placement in many of our programs. Ferris is a national leader with recognized exemplary programs in Criminal Justice, Digital Animation and Game Design, Heating, Ventilation and Air Conditioning Hospitality Management, Information Security and Intelligence Nursing and related healthcare fields, Optometry, Pharmacy, Plastics, Professional Golf Management, Risk Management, Social Work and Welding.

Many of Ferris' offerings are tailored to prepare students for careers aligned with occupations experiencing a shortage of skilled workers. We are in the top 20 percent of institutions nationally in the awarding of degrees in critical skills areas, more than 1,700 annually. We possess the ability and execute on our promise to provide a career-oriented education. This has been our mission since our founding in 1884.

Ferris State University is home to the largest College of Engineering Technology in the country, graduates 50% of the pharmacists in Michigan, houses the only College of Optometry in the state and provides the only Doctorate of Community College Leadership in the state, all in Big Rapids. In Grand Rapids, the University provides education for third- and fourth-year Pharmacy students in a facility on the Medical Mile. It also has transformed the historically important Federal Building into the Woodbridge N. Ferris building, serving students in its Kendall College of Art and Design, which now includes the Urban Institute for Contemporary Arts. A new 402-bed residence hall on the Big Rapids campus will be completed fall 2017, and an expansion to the Swan Annex serving Welding Engineering Technology and Manufacturing programs will be completed in August 2018. Ferris State University is very grateful for the state support that made this expansion possible.

State Funding and Performance Metrics

Ferris State University strongly supports the performance funding formula established in 2012, which recognizes factors critical to higher education success in Michigan and is supported by the Business Leaders for Michigan. We are pleased by the funding increase included in the Executive Budget Proposal and appreciate very much Governor Snyder's continued efforts to help support Michigan public universities.

While it is our preference that all new funding be awarded through performance metrics, Gov. Snyder's Executive Budget proposal continues the practice of awarding 50% of new funding based upon a performance funding formula, and a 3.8 percent cap on tuition. This reduces both the impact and the incentive of performance-based funding. As a university that produces graduates in much-needed STEM areas and serves Pell-eligible students, among other factors, we are clearly meeting the well-defined metrics. (Appendix Five)

Use of the performance funding model ensures state universities in Michigan are positioning themselves for success and delivering a well-educated, highly skilled talent pool. It

creates a continuing partnership between the State and public universities to address the goal of increasing the number of Michigan residents with a college degree, in addition to Michigan's great need for a highly trained and skilled workforce, particularly in STEM areas. Most importantly, the performance metrics seek to measure outcomes of our educational processes.

As I have stressed in the past, the value of the performance funding formula lies in the metrics remaining constant and the ability to assess change over time. The logic is simple and straightforward. If the state continually changes these metrics and creates a moving, uncertain target, how will it be able to judge and assess whether this performance-based approach is working?

Ferris State University does extremely well at producing graduates who are highly sought after by business and industry. Our graduates are the benchmark by which others are judged. We offer the types of degrees that will help build a better Michigan, and providing this career-oriented education has been our mission since our founding in 1884. The performance-based model recognizes the value of a hands-on education, as envisioned by our founders, and I urge you to refrain from fixing what is not broken.

Ferris State University was founded on opportunity for all people, regardless of class, age, race or status. We strongly support Governor Snyder's recommended increase to the Michigan Competitive Scholarship Program, established in 1964 to help foster the pursuit of postsecondary education. This is the first significant increase in financial aid for university students since a 64% reduction to student financial support in 2009. (An analysis of Michigan Financial Aid Support is provided in Appendix Six.)

Community College Partnerships

Over the last decade, Ferris State University has strategically reached out to community colleges across the state. Through partnerships with community colleges, we are able to bring the opportunity of a career-oriented Ferris degree to many communities across the state. In doing so we teach at the community college campus, using their classrooms and facilities. This is cost effective for the state by not requiring additional capital investment. It is convenient for students and allows them to continue their college education in a familiar setting. Through this, we provide place-bound students the opportunity to learn in the communities in which they live and work, while at the same time earning their Ferris degree.

An example of the strength and enduring nature of these partnerships occurred last September, when we celebrated the 25th anniversary of our partnership with Grand Rapids Community College. At GRCC we teach in the Wisner Bottrall Applied Technology Center, a facility we helped establish. At the time, this was the first partnership of its kind in the state between a two and four-year institution. What now seems like such a logical, reasonable approach was at that time an extraordinary, revolutionary idea. Moreover, this partnership template is something we do today with 21 satellite locations across the state.

We have built on this statewide network of 21 satellite locations through many community college transfer articulation agreements, and through partnerships with high schools and intermediate school districts to offer concurrent and dual enrollment classes to secondary school students. These partnerships exemplify the words of our founder, Woodbridge Ferris, a statement he made in 1916, one hundred and one years ago, when he was serving as our state's governor. "My plea in Michigan ~ and it will be my plea to the last breath I draw, and the last word I speak ~ is education for all children, all men, and all women of Michigan, all the people in all our states all the time." We believe these words are just as true today as they were over 100 years ago.

Reverse transfer agreements allow students to earn their associate degree from a two-year college while beginning their bachelor's degree at Ferris State University. Credits can be used toward an associate degree or bachelor's degree, or students can earn a credential and obtain employment quicker while providing a seamless transition to a bachelor's degree. Reverse transfer agreements also may allow a student to reduce his or her time to degree and subsequently, their student debt, something we work very hard to address for all of our students. We partner with all 28 community colleges in Michigan and the tribal college at Bay Mills. Those partnerships include:

- Alpena Community College
- Bay College
- Bay Mills Community College
- Delta College
- Glen Oaks Community College
- Gogebic Community College
- Grand Rapids Community College
- Henry Ford College
- Jackson College
- Kalamazoo Valley Community College
- Kellogg Community College
- Kirtland Community College
- Lake Michigan College
- Lansing Community College
- Macomb Community College
- Mid Michigan Community College
- Monroe County Community College
- Montcalm Community College
- Mott Community College
- Muskegon Community College
- North Central Michigan College
- Northwestern Michigan College
- Oakland Community College

- St. Clair County Community College
- Schoolcraft College
- Southwestern Michigan College
- Washtenaw Community College
- Wayne County Community College
- West Shore Community College

Closing Thoughts

For public universities, students are why we are here and why we exist. I wish each of you had the opportunity to meet our students as they enter college, see how they become engaged and watch their growth through the living-learning experience of a college education. It truly does change their lives, and we are honored to be a catalyst in this process. With your help we can build great futures for our students in their professional careers and for their lives as active, concerned citizens.

Please take a moment to consider the words of our two students today. With your help we can continue to change lives in a way that makes a lasting difference. On behalf of our current students and our future students, from the bottom of our hearts, we thank you.

This testimony and supporting materials are available online at <http://ferris.edu/president/presentations/homepage.htm>